



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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**FCC SEEKS TO LOWER PHONE BILLS FOR AMERICANS THROUGH ADDITIONAL
DEREGULATION OF INTERNATIONAL TELEPHONY MARKET**
Proposal would promote competition and eliminate unnecessary regulation for U.S businesses

Washington, D.C. – As part of its ongoing regulatory reform efforts, the Federal Communications Commission today adopted a *Notice of Proposed Rulemaking (NPRM)* to eliminate outdated regulations governing agreements between U.S. and foreign carriers for delivering international phone traffic, and to seek comment on other ways to protect against anticompetitive conduct by monopolistic foreign carriers.

Established over eighty years ago, the International Settlements Policy (ISP) ensured fair treatment for U.S. carriers negotiating agreements with foreign carriers with market power. However, over the past fifteen years, in part because of the success of the ISP and the related Benchmarks Policy, global competition has significantly increased, new alternative traffic routing possibilities have emerged, and the average U.S. calling price for international phone calls has fallen from \$0.74 per minute to \$0.08 per minute, as annual calling minutes have increased over 250%.

These changes have made the ISP less relevant and necessary to ensure fair competition. In some cases, the ISP may now be hindering attempts by U.S. carriers to negotiate agreements that reduce international telephone rates for American customers.

This proposal would give U.S. carriers greater flexibility to negotiate agreements with foreign counterparts that reflect modern routing arrangements, resulting in lower rates for international calls. The Commission is also seeking comment on measures to promote and protect competition on U.S.-international routes if the need arises.

Comments on the Notice of Proposed Rulemaking will be due 30 days after publication in the Federal Register, with reply comments due 15 days thereafter.

Action by the Commission, May 12, 2011, by Notice of Proposed Rulemaking (FCC 11-75). Chairman Genachowski, Commissioners Copps, McDowell, and Clyburn. Commissioner Baker not participating.

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